Industry Profiles

Construction Industry

Data Development and Evaluation

Revised: March 2006

Alberta Human Resources and Employment

Overview:

The Construction industry[1] in Alberta includes:

- Establishments that construct, repair or renovate residential buildings (e.g. houses, apartment buildings, condominiums)
- Establishments that construct, repair or renovate business and commercial buildings (e.g. office towers, shops, malls)
- Establishments that construct, repair or renovate industrial buildings (e.g. oil refineries and, petrochemical plants, power plants)
- Engineering works (e.g. highways, bridges, pipelines)
- Places that subdivide and develop land

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[1]Based on Statistics Canada Labour Force Historical Survey data and projections for the North American Industry Classification System (NAICS) major group 23.

Section A: Business Environment

1. Employment and Unemployment Numbers and Rates:

All numbers are based on annual averages in 2005

- Employed Albertans = 1,784,400 people
- Albertans employed in Construction = 159,700 people
- This industry employs 8.9% of all employed Albertans
- Unemployed Albertans = 73,100 people
- Albertans unemployed in Construction = 7,400 people
- Alberta's unemployment rate = 3.9%
- Construction unemployment rate = 4.4 %

For more information on employment numbers or for a historical comparison, go to the Labour Force Survey or Statistics Canada websites.

2. Industry Growth:

- The Construction industry is expected to grow on average 2.7% annually from 2005 to 2010.
- Employment is expected to increase to 184,595 by 2010.
- This industry will provide 12.6% of new jobs in Alberta between 2005 and 2010.

Adapted from the Alberta Modified COPS Outlook (2005-2010).

Industry Productivity

- Contributed $31.30 Real Gross Domestic Product (GDP) per hour worked in 2004 or $65,316 Real GDP per worker.
- In comparison, Alberta's Real GDP was $39.60 per hour worked or $73,549 Real GDP per worker.

For more information see the Labour Productivity in Alberta report online.

Outlook

The BMO Financial Group's Sectoral Outlook shows that investment in non-residential construction will continue to grow beyond 2010, growing at an average rate of 5.7% to 2015. This is more than two percentage points faster than their predicted national rate. The BMO forecast indicates that in addition to generating much economic activity on its own, construction in the oil sands projects will also act as a catalyst for other related work – primarily the expansion of industrial infrastructure (including pipeline networks) and public infrastructures (including transportation, utilities and communication).

In a report entitled *Construction Looking Forward*, the Construction Sector Council (CSC) forecasts that while residential investment will remain at relatively high levels, it will likely slow down over the forecast period of 2005 to 2013. The outlook for investment in Alberta is an important driver for the demand of construction trades. The CSC's current outlook can be seen in the table below.

Investment Expenditures, Alberta							
Residential Investment (Includes New Housing and Renovations)							
1997 $Millions	6,288	6,105	5,638	5,620	5,742	5,962	4,945
% Change	1.2	-2.9	-7.7	-0.3	2.2	3.8	-3.6
Non-residential Investment (Includes Engineering Construction, Building Construction, Industrial Construction, Commercial Construction, Institutional and Government Construction and Machinery and Equipment)							
1997 $Millions	32,567	34,847	38,056	41,222	42,671	43,309	43,966
% Change	-6.0	7.0	9.2	8.3	3.5	1.5	0.3

Source: *Construction Looking Forward - Labour Requirements for 2005 to 2013 for Alberta*, Construction Sector Council
*Growth rates refer to average period growth, levels to the 2013 value

The 2005-2009 Construction Industry Supply Demand Forecast expects investment in non-residential construction to continue to climb until 2008 before decreasing slightly in 2009. This will result in an increase in the demand for the trades, for example pipefitters and industrial electricians, until 2008 and a decline in 2009. During the early part of the forecast period, supply is not able to keep up with demand. This will likely make it difficult to find workers in a number of construction trades. The forecast predicts that as the supply catches up with demand this difficulty should be alleviated in 2009.

3. Company Size

Establishment Size	Alberta Businesses		Construction Businesses	
Less than 20 employees	505,700	35.0%	48,800	44.7%
20 to 99 employees	501,600	34.7%	39,200	35.9%
100 to 500 employees	278,200	19.2%	15,100	13.8%
Over 500 employees	161,200	11.1%	6,000	5.5%

Data Source: Labour Force Survey Historical Review 2005, Statistics Canada

Section B: Human Resources Profile

1. Occupational Information

Some examples of occupations that can be found in the Construction industry include:

- Bricklayer
- Carpenter
- Electrician
- Roofer
- Steamfitter-Pipefitter

For a complete listing of all occupations related to this industry as well as detailed information on educational and skill requirements, visit the Alberta Occupational Profiles website.

2. Demographics: Age and Gender

Gender in the Construction industry:

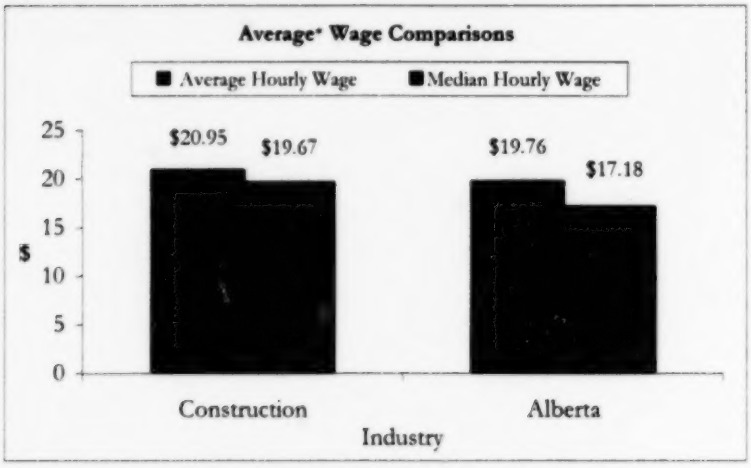
- Women employed: 21,300 people (13.3%)
- Men employed: 138,400 people (86.7%)

In comparison, women comprise 45% of the total employed in Alberta and men make up 55% of the employed.

Age Characteristics	Alberta Employees		Construction Industry Employees	
	Number	**%**	**Number**	**%**
15- 24 years	311,800	17.5%	26,200	16.4%
25-54 years	1,236,400	69.3%	114,800	71.9%
55 years and over	236,200	13.2%	18,600	11.6%

Data Source: Labour Force Survey Historical Review 2005, Statistics Canada

3. Wages



Data Source: Labour Force Historical Review 2005, Statistics Canada
*Average represents the arithmetic mean

Wage and Salary Information for Selected Occupations

Occupation	Average Hourly Wage			Overall Average Salary
	Starting	After 3 years	Top	
Welders and Related Machine Operators	**$ 22.32**	**$ 29.61**	**$ 45.74**	**$ 89,729**
Construction Estimators	**$ 20.68**	**$ 25.01**	**$ 31.67**	**$ 56,253**
Other Trades Helpers and Labourers	**$ 11.69**	**$ 15.05**	**$ 18.61**	**$ 34,105**

Data Source: 2005 Wage and Salary Survey
*Average represents the arithmetic mean

For more information on wages, job descriptions, duties, required skills and educational requirements for specific occupations in the Construction industry refer to the Wage and Salary Survey.

Section C: Additional Information

1. Links to Selected Industry Associations:

- Alberta Building Trades Council
- Alberta Construction Association
- Alberta Construction Safety Association
- Alberta Road Builders and Heavy Construction Association
- Calgary Construction Association
- Calgary Home Builders Association
- Edmonton Construction Association
- Edmonton Home Builders Association

2. Link to Government Library Database:

http://acscinfolink.gov.ab.ca/libraries/workplace/